

**ST. CHARLES PARISH ASSESSOR**

Hahnville, Louisiana

Annual Financial Report

Year Ended December 31, 2013

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date JUL 16 2014

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## ST CHARLES PARISH ASSESSOR

Hahnville Louisiana

### Management's Discussion and Analysis

Within this section of the annual financial report of the St. Charles Parish Assessor, the St. Charles Parish Assessor's management provides this narrative discussion and analysis of the financial activities of the St. Charles Parish Assessor for the year ended December 31, 2013. The St. Charles Parish Assessor's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

#### FINANCIAL HIGHLIGHTS

The St. Charles Parish Assessor's assets exceeded its liabilities by \$3,051,808 (net position) for the year reported.

Total net position is comprised of the following:

- Investment in capital assets of \$214,271 includes property and equipment, net of accumulated depreciation.

Unrestricted net position of \$2,837,537 represents the portion available to maintain the St. Charles Parish Assessor's continuing obligations to citizens and creditors.

The St. Charles Parish Assessor's General Fund reported total ending unassigned fund balance of \$4,261,496 this year. This compares to the prior year ending unassigned fund balance of \$4,228,280, showing an increase of \$33,216 during the current year.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis document introduces the St. Charles Parish Assessor's basic financial statements. The basic financial statements include (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The St. Charles Parish Assessor also includes in this report additional information to supplement the basic financial statements.

## ST CHARLES PARISH ASSESSOR

Hahnville Louisiana

### Management's Discussion and Analysis

#### **GOVERNMENT WIDE FINANCIAL STATEMENTS**

The St. Charles Parish Assessor's annual report includes two government wide financial statements. These statements provide both long term and short term information about the St. Charles Parish Assessor's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government wide statements is the Statement of Net Position. This is the government wide statement of position presenting information that includes all of the St. Charles Parish Assessor's assets and liabilities with the difference reported as net position. Over time increases or decreases in net position may serve as a useful indicator of whether the financial position of the St. Charles Parish Assessor as a whole is improving or deteriorating. Evaluation of the overall health of the St. Charles Parish Assessor would extend to other nonfinancial factors in addition to the financial information provided in this report.

The second government wide statement is the Statement of Activities which reports how the St. Charles Parish Assessor's net position changed during the current year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the St. Charles Parish Assessor's distinct activities or functions on revenues provided by the Parish and the State of Louisiana.

The government wide financial statements present governmental activities of the St. Charles Parish Assessor that are principally supported by intergovernmental revenues. The purpose of these governmental activities is to assess all real and moveable property in the parish subject to ad valorem taxation.

The government wide financial statements are presented on pages 10 and 11 of this report.

#### **FUND FINANCIAL STATEMENTS**

A fund is an accountability unit used to maintain control over resources that have been segregated for specific activities or objectives. The St. Charles Parish Assessor uses funds to ensure and demonstrate compliance with finance related laws and regulations. Within the basic financial statements, fund financial statements focus on the St. Charles Parish Assessor's most significant funds rather than the St. Charles Parish Assessor as a whole.

## ST CHARLES PARISH ASSESSOR

Hahnville Louisiana

### Management's Discussion and Analysis

The St Charles Parish Assessor has only governmental funds

Governmental funds are reported in the fund financial statements and encompass the same function as governmental activities in the government wide financial statements. However, the focus is very different with fund statements which provide a distinctive view of the St Charles Parish Assessor's governmental funds, including object classifications. These statements report short term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near term.

Since the government wide focus includes the long term view, comparisons between these two perspectives may provide insight into the long term impact of short term decisions regarding revenues and expenses. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The governmental fund financial statements are presented on pages 12-15 of this report.

#### Notes to the basic financial statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government wide and fund financial statements. The notes to the basic financial statements begin on page 16 of this report.

### **FINANCIAL ANALYSIS OF THE ST CHARLES PARISH ASSESSOR AS A WHOLE**

The St Charles Parish Assessor recently implemented the new financial reporting model used in this report. Over time, as year to year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the St Charles Parish Assessor as a whole.

# ST CHARLES PARISH ASSESSOR

Hahnville Louisiana

## Management's Discussion and Analysis

The St. Charles Parish Assessor's net position as of December 31, 2013 and 2012 was \$3,051,808 and \$3,039,869 respectively. The following table provides a condensed statement of the St. Charles Parish Assessor's net position.

### Condensed Statement of Net Position

	December 31, 2013 Governmental Activities	December 31, 2012 Governmental Activities
<b>Assets</b>		
Current assets	\$ 1,884,246	\$ 3,668,812
Capital assets	214,271	13,382
Other assets	<u>2,452,424</u>	<u>616,024</u>
Total assets	<u>4,550,941</u>	<u>4,298,218</u>
<b>Liabilities</b>		
Current liabilities	168,683	123,409
Long term liabilities	<u>1,330,450</u>	<u>1,134,940</u>
Total liabilities	<u>1,499,133</u>	<u>1,258,349</u>
<b>Net position</b>		
Net investment in capital assets	214,271	13,382
Unrestricted	<u>2,837,537</u>	<u>3,026,487</u>
Total net position	\$ <u>3,051,808</u>	\$ <u>3,039,869</u>

# ST CHARLES PARISH ASSESSOR

Hahnville Louisiana

## Management's Discussion and Analysis

The following table provides a statement of the St. Charles Parish Assessor's condensed statement of activities and changes in net position

### Condensed Statement of Activities and Changes in Net Position

	December 31 2013 Governmental Activities	December 31 2012 Governmental Activities
Revenue		
Charges for Services	\$ 11 000	\$ 19 364
Ad Valorem Taxes	1 678 422	1 613 466
Interest Income	17 354	57 415
Dividend Income	2 741	3 954
State Revenue Sharing	<u>32,887</u>	<u>32,642</u>
Total revenues	<u>1,742,404</u>	<u>1,726,841</u>
Expenses		
General Government	<u>1,730,465</u>	<u>1,307,237</u>
Total expenses	<u>1,730,465</u>	<u>1,307,237</u>
Change in net position	11 939	419 604
Net position Beginning of year	<u>3,039,869</u>	<u>2,620,265</u>
Net position – End of year	\$ <u>3,051,808</u>	\$ <u>3,039,869</u>

### GOVERNMENTAL REVENUES

The St. Charles Parish Assessor is reliant on revenue received from St. Charles Parish and the State of Louisiana to support its operations. The St. Charles Parish Assessor's financial position has enabled it to earn \$17,354 in interest and \$2,741 in dividends to support governmental activities.

### GOVERNMENTAL FUNCTIONAL EXPENSES

The total governmental function of the St. Charles Parish Assessor's office is to assess all real and moveable property in the parish subject to ad valorem taxation. Of the total costs depreciation on the equipment was \$14,330.

## **ST CHARLES PARISH ASSESSOR**

Hahnville Louisiana

### **Management's Discussion and Analysis**

#### **FINANCIAL ANALYSIS OF THE ST CHARLES PARISH ASSESSOR**

##### **Governmental Funds**

As discussed, governmental funds are reported in the fund statements with a short term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds had an ending fund balance of \$4,261,496, all of which is unassigned, indicating availability for continuing the St. Charles Parish Assessor's activities.

##### **CAPITAL ASSETS**

The St. Charles Parish Assessor's investment in capital assets, net of accumulated depreciation as of December 31, 2013, was \$214,271. See Note 6 of the notes to the financial statements for additional information about changes in capital assets during the current year.

#### **CONTACTING THE ST CHARLES PARISH ASSESSOR'S FINANCIAL MANAGEMENT**

*This financial report is designed to provide a general overview of the St. Charles Parish Assessor's finances, comply with finance-related laws and regulations, and demonstrate the St. Charles Parish Assessor's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact Tab T. Troxler, St. Charles Parish Assessor, P.O. Box 303, Hahnville, Louisiana 70057. Phone (985) 783-6281.*



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## INDEPENDENT AUDITOR S REPORT

Mr Tab T Troxler  
St Charles Parish Assessor  
Hahnville Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities of the St Charles Parish Assessor as of and for the year ended December 31 2013 and the related notes to the financial statements which collectively comprise the basic financial statements as listed in the table of contents

### Management s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America this includes the design implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error

### Auditor s Responsibility

Our responsibility is to express an opinion on these financial statements based upon our audit We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements The procedures selected depend on the auditor s judgment including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error In making those risk assessments the auditor considers internal control relevant to the entity s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity s internal control Accordingly we express no such opinion An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

## Opinion

In our opinion the financial statements referred to on the previous page present fairly in all material respects the respective financial position of the governmental activities of the St Charles Parish Assessor as of December 31 2013 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison information on pages 27 and 34 be presented to supplement the basic financial statements. Such information although not a part of the financial statements is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the St Charles Parish Assessor's basic financial statements. The other supplementary information presented on pages 35-38 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly we do not express an opinion or provide any assurance on them.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards* we have also issued our report dated June 18 2014 on our consideration of the St Charles Parish Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws regulations contracts grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the St Charles Parish Assessor's internal control over financial reporting and compliance.

  
Harvey Louisiana  
June 18 2014

## GOVERNMENT WIDE FINANCIAL STATEMENTS

ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Statement of Net Position  
Year Ended December 31, 2013

Governmental Activities

**Assets**

Current Assets

Cash	\$ 58,487
Certificates of deposit	101,307
Receivables	
Ad valorem taxes, net	1,681,484
State revenue sharing	21,925
Advance withdrawal – payroll	<u>21,043</u>
Total current assets	1,884,246

Noncurrent Assets

Capital assets, net of depreciation	214,271
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Other Assets

Investments	<u>2,452,424</u>
Total other assets	<u>2,666,695</u>

<u>Total assets</u>	<u>4,550,941</u>
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**Liabilities**

Current Liabilities

Accounts payable	4,135
Accrued salary and benefits	29,925
Payroll liabilities and related payables	2,393
Net OPEB obligations	<u>132,230</u>
Total current liabilities	168,683

Noncurrent Liabilities

Net OPEB obligations	<u>1,330,450</u>
Total noncurrent liabilities	<u>1,330,450</u>

<u>Total liabilities</u>	<u>1,499,133</u>
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**Net Position**

Net investment in capital assets	214,271
Unrestricted	<u>2,837,537</u>
<u>Total net position</u>	<u>\$ 3,051,808</u>

The accompanying notes are an integral part of these basic financial statements.

ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Statement of Activities  
Year Ended December 31, 2013

Functions and Programs	<u>Expenses</u>	<u>Program Revenues</u>		Net (Expense) Revenue and Changes in Net Position
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental Activities				
General Government	\$(1,730,465)	\$ 11,000	\$ 32,887	\$ (1,686,578)
<u>Total governmental activities</u>	<u>(1,730,465)</u>	<u>11,000</u>	<u>32,887</u>	<u>(1,686,578)</u>
	General Revenues			
	Ad Valorem Taxes			1,678,422
	Interest Income			17,354
	Dividend Income			<u>2,741</u>
	Total general revenues			<u>1,698,517</u>
	Change in net position			11,939
	Net position - beginning of year			<u>3,039,869</u>
	Net position - end of year			\$ <u>3,051,808</u>

The accompanying notes are an integral part of these basic financial statements.

## FUND FINANCIAL STATEMENTS

ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Balance Sheet  
Governmental Fund  
December 31, 2013

	<u>General Fund</u>
<b>Assets</b>	
Current Assets	
Cash	\$ 58,487
Certificates of deposit	101,307
Receivables	
Ad valorem taxes, net	1,681,484
State revenue sharing	21,925
Advance withdrawal – payroll	<u>21,043</u>
Total current assets	1,884,246
Other Assets	
Investments	<u>2,452,424</u>
Total other assets	<u>2,452,424</u>
<u>Total assets</u>	<u>\$ 4,336,670</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	
Liabilities	
Accounts payable	\$ 4,135
Accrued salary and benefits	29,925
Payroll liabilities and related payables	<u>2,393</u>
<u>Total liabilities</u>	<u>36,453</u>
Deferred Inflows of Resources	
Ad valorem tax	16,796
State revenue sharing	<u>21,925</u>
<u>Total deferred inflows of resources</u>	<u>38,721</u>
Fund Balance	
Unassigned, reported in general fund	<u>4,261,496</u>
<u>Total liabilities, deferred inflows of resources, and fund balance</u>	<u>\$ 4,336,670</u>

The accompanying notes are an integral part of these basic financial statements.

ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Reconciliation of the Governmental Fund Balance Sheet to  
the Government – Wide Statement of Net Position  
December 31, 2013

Total fund balance of the governmental fund at December 31, 2013	\$4,261,496
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	214,271
Ad valorem taxes and state revenue sharing revenues will be collected after year end; but they are not available soon enough to pay for the current period expenditures; therefore, they are reported as deferred inflows of resources in the fund.	38,721
Other post-employment benefits payable.	(1,462,680)
<u>Net position of governmental activities at December 31, 2013</u>	<u>\$ 3,051,808</u>

The accompanying notes are an integral part of these basic financial statements.



ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Governmental Fund  
Year Ended December 31, 2013

**REVENUES**

Ad valorem tax	\$ 1,690,909
State revenue sharing	32,887
Computer service fees	5,000
Preparation of tax roll	6,000
Interest Income	17,354
Dividend income	<u>2,741</u>
<b>TOTAL REVENUES</b>	<u><b>1,754,891</b></u>

**EXPENDITURES**

Salaries	761,725
Payroll taxes & expenses	12,876
Disability insurance	1,102
Employer's contribution to group insurance	244,695
Uniforms	2,649
Employer's contribution to retirement	166,469
Deferred Compensation	47,053
Automobile expenditures	5,690
Contracted services	71,513
Dues and subscriptions	8,377
Equipment maintenance	24,439
Office expenditures	58,029
Other insurance	4,059
Telephone	9,230
Travel and training	63,098
Capital outlay	215,219
Other expenditures	<u>25,452</u>
<b>TOTAL EXPENDITURES</b>	<u><b>1,721,675</b></u>

EXCESS OF REVENUES OVER EXPENDITURES	33,216
FUND BALANCE – BEGINNING OF YEAR	<u>4,228,280</u>
FUND BALANCE – END OF YEAR	<u><b>\$ 4,261,496</b></u>

The accompanying notes are an integral part of these basic financial statements.

ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balance to the Government – Wide Statement of Activities  
Year Ended December 31, 2013

Total net change in fund balance at December 31, 2013 per Statement of Revenues, Expenditures, and Changes in Fund Balance of the Governmental Fund	\$ 33,216
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Amounts reported for governmental activities in the  
Government – Wide Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Government – Wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.	200,889
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Ad valorem taxes and state revenue sharing revenue in the statement of activities that do not provide current resources is not reported as revenue in the fund.	(12,756)
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Generally, expenditures recognized in the fund financial statements are limited to only those that use current financial resources but, expenses and liabilities are reported in the government – wide statement of activities when they are incurred.	
Accrued post-employment benefits	<u>(209,410)</u>

<u>Total change in net position of governmental activities</u>	\$ <u>11,939</u>
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The accompanying notes are an integral part of these basic financial statements.

## ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

### Notes to Basic Financial Statements

#### Introduction

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the St. Charles Parish Assessor is elected by the voters of the parish and serves a four-year term. The St. Charles Parish Assessor assesses all real and movable property in the parish subject to ad valorem taxation. The St. Charles Parish Assessor is authorized to appoint as many deputies as may be necessary for the efficient operation of the office and to provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the St. Charles Parish Assessor is officially and peculiarly responsible for the actions of the deputies.

The St. Charles Parish Assessor's office is located in the St. Charles Parish Courthouse in Hahnville, Louisiana. The St. Charles Parish Assessor employs 15 employees, which include the Assessor, 13 deputies and 1 part-time janitor. In accordance with Louisiana law, the St. Charles Parish Assessor bases real and movable property assessments on conditions existing on January 1 of the year. The St. Charles Parish Assessor completes an assessment listing by May 1 and submits the list to the parish governing authority and the Louisiana Tax Commission, as prescribed by law. Once the assessment listing is approved, the St. Charles Parish Assessor submits the assessment roll to the parish tax collector, who is responsible for the collection and distribution of taxes to the various taxing bodies.

At December 31, 2013, there were 24,981 real property and movable property assessments totaling \$306,543,102 and \$995,591,045 respectively. Total exemption was \$98,376,651 and total taxable was \$1,203,757,496. This represents an increase in assessed value of \$46,201,618 and an increase in taxable assessments of \$46,819,862.

#### 1) Summary of Significant Accounting Policies

##### A.) Reporting Entity

For financial reporting purposes, the St. Charles Parish Assessor is considered its own separate financial reporting entity. All funds, activities, etc... controlled by the fund as an independently established entity are included as a part of this financial reporting body. There are no other component units. The St. Charles Parish Assessor is solely responsible for the operations of the fund with authority and responsibility for all operations, deficits, and the receipt and disbursement of monies. Accordingly, other units of the local government such as the Parish Council are considered separate reporting entities and issue financial statements separate from those of the St. Charles Parish Assessor.



ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Notes to Basic Financial Statements - Continued

B.) Basis of Presentation

The accompanying basic financial statements of the St. Charles Parish Assessor have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

The accompanying basic financial statements have also been prepared in conformity with the following GASB Statements:

Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The objective of this Statement is to provide guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures.

Statement No. 65, *Items previously reported as Assets and Liabilities*. The statement clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting.

The effect of implementing GASB Nos. 63 and 65 on the financial statements was to classify amounts previously reported as liabilities, unearned revenues to deferred inflows of resources, and to report the excess over liabilities and deferred inflows of resources as net position.

Deferred Inflows of Resources

The St. Charles Parish Assessor reports deferred inflows of resources when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows of resources also arise when resources are received by the St. Charles Parish Assessor before it has a legal claim to them as when tax revenues are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the St. Charles Parish Assessor has a legal claim to the resources, deferred inflows of resources are removed and revenues are recognized.

## ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

### Notes to Basic Financial Statements – Continued

#### B ) Basis of Presentation-continued

##### Government-Wide Financial Statements (GWFS)

The St. Charles Parish Assessor's basic financial statements include both government-wide (reporting the St. Charles Parish Assessor as a whole) and fund financial statements (reporting the St. Charles Parish Assessor's major fund). All of the St. Charles Parish Assessor's administrative services are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The St. Charles Parish Assessor's net position is reported in two parts - invested in capital assets and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the St. Charles Parish Assessor's functions and activities (assessment of real and movable property in the parish subject to ad valorem taxation). These functions are also supported by general government revenues (interest and dividends earned). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues and operating expenses. Program revenues must be directly associated with the function (assessment of real and movable property in the parish subject to ad valorem taxation).

The net costs (by function) are normally covered by general revenue (interest and dividends earned, etc). This government-wide focus is more on the sustainability of the St. Charles Parish Assessor as an entity and the change in the St. Charles Parish Assessor's net position resulting from the current year's activities.

##### Fund Financial Statements (FFS)

The St. Charles Parish Assessor uses funds to maintain it's financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The St. Charles Parish Assessor's fund encompasses only Governmental Funds, which are described below

ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Notes to Basic Financial Statements – Continued

B.) Basis of Presentation-continued

Governmental

General Fund - The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the St. Charles Parish Assessor and is used to account for the operations of the St. Charles Parish Assessor's office. The various fees and charges due to the St. Charles Parish Assessor's office are accounted for in this fund. General operating expenditures are paid from this fund.

C.) Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The Government Wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

Governmental Fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The St. Charles Parish Assessor considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. The governmental funds use the following practices in recording revenues and expenditures:

ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Notes to Basic Financial Statements – Continued

C.) Measurement Focus/Basis of Accounting - continued

Ad valorem taxes are assessed for the calendar year, become due on November 15 of each year, and become delinquent on December 31. The tax collector generally collects the taxes in December of the current year and January and February of the ensuing year. Ad valorem tax revenue also includes prior year taxes received that were previously written off. Prior year net receivables written off are deducted from ad valorem tax revenue.

State revenue sharing is recorded, net of deferred revenue, for the current year's tax roll. Deferred inflows of resources are recorded for the amount of the funds that are expected to be collected after the end of the year but are not expected to be collected in time to pay current liabilities.

All other revenues are recorded when measurable and available.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

When both restricted and unrestricted resources are available for use, it is the St. Charles Parish Assessor's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

The St. Charles Parish Assessor's basic financial statements have been prepared in conformity with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.



ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Notes to Basic Financial Statements – Continued

C.) Measurement Focus/Basis of Accounting - continued

Fund Balance – continued

- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the St. Charles Parish Assessor.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.
- e. Unassigned – all other spendable amounts.

The St. Charles Parish Assessor applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. The St. Charles Parish Assessor does not have a formal minimum fund balance policy.

Net Position

Net position comprises the various net earnings from revenues and expenses. Net position is classified in the following components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of assets less liabilities and deferred inflows of resources (net position) with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.



ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Notes to Basic Financial Statements - Continued

C.) Measurement Focus/Basis of Accounting - continued

Net Position – continued

- c. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

D.) Budgets

The St. Charles Parish Assessor's budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). The proposed budget for 2013 was published in the official journal and made available for public inspection. The public hearing for the proposed budget was held December 14, 2012, and the budget was adopted on that date. Unexpended appropriations lapse at year end. Formal budget integration was employed as a management control device during the year the budget was amended. The amended budget was published in the official journal and made available for public inspection. The amended budget was adopted at a public hearing on December 4, 2013.

The St. Charles Parish Assessor reserves all authority to make changes to the budget. When actual revenues fail to meet budgeted revenues by five percent or more and/or actual expenditures exceed budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the St. Charles Parish Assessor. Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

E.) Cash and cash equivalents

Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Under state law, the St. Charles Parish Assessor may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits in state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less.

ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Notes to Basic Financial Statements – Continued

F.) Investments

Under state law, the St. Charles Parish Assessor may invest in United States bonds, treasury notes, certificates, treasury bills, any other federally insured investment, or the Louisiana Asset Management Pool, Inc. (LAMP)

Investments with maturities greater than 90 days when purchased are classified as investments. Investments are stated at fair value as established by the open market.

Securities traded in a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. Realized gains and losses on investments recorded at fair value are included in investment income.

Investment policies are governed by state statutes.

G.) Vacation and Sick Leave

Employees of the St. Charles Parish Assessor's office earn from 0 to 25 days of vacation leave each year, depending on their length of service. Unused vacation leave may not be accumulated. Employees earn from 5 to 20 days of sick leave each year, depending on their length of service. A maximum of 50 days of sick leave may be accumulated. Upon retirement or death, unused accumulated sick leave is paid to the employee or to the employee's estate at the employee's current rate of pay, up to a maximum of fifty days.

In accordance with GASB Statement No. 16, the cost of sick leave is accrued only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies such as medical appointments and funerals. There are no cost of leave privileges required to be reported on the financial statements.



ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Notes to Basic Financial Statements – Continued

H.) Compensated Absences

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or their heirs) are paid for accrued sick leave upon retirement or death, while the cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group. Because employees are not allowed to carryover vacation leave to future years, there is no long-term liability for compensated absences.

I.) Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The St. Charles Parish Assessor maintains a threshold level of \$1,000 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Furniture	5 years
Computer equipment	5 years
Office equipment	5 years
Telephone equipment	10 years
Vehicles	5 years

J.) Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

# ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

## Notes to Basic Financial Statements – Continued

### K.) Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements to determine the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through June 18, 2014 which is the date the financial statements were available to be issued.

### 2) Cash and Cash Equivalents

At December 31, 2013, the St. Charles Parish Assessor's cash and cash equivalents (book balance) totaled \$58,487 and \$101,307 respectively as follows:

<u>Cash &amp; Cash Equivalents</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturity</u>
Cash:			
First National Bank			
Checking	\$ 15,829	\$ 15,829	Demand
UBS Financial			
Money Market	<u>42,658</u>	<u>42,658</u>	Demand
Total Cash	\$ <u>58,487</u>	\$ <u>58,487</u>	
Cash equivalents:			
UBS Financial			
Certificate of deposit	\$ <u>101,307</u>	\$ <u>101,307</u>	2/05/2014
Total Cash Equivalents	\$ <u>101,307</u>	\$ <u>101,307</u>	

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

At year-end, the carrying amount of the St. Charles Parish Assessor's checking account (book balance) was \$15,829 held at First National Bank U\*S\*A. This amount is fully secured from risk by FDIC insurance. The St. Charles Parish Assessor has \$42,658 in demand deposits (bank balance) held in the UBS Bank USA Deposit Account. The funds held in this account offer same-day liquidity and maintain a stable net position value of \$1.00 and are secured by FDIC insurance. The St. Charles Parish Assessor also holds one certificate of deposit with UBS Bank. The certificate is fully secured by FDIC insurance by the issuing bank. The certificate has a maturity less than one year and is, therefore, classified as a cash equivalent.

# ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

## Notes to Basic Financial Statements – Continued

### 3) Investments

The St. Charles Parish Assessor can invest in direct debt securities of the United States unless such an investment is expressly prohibited by law. The St. Charles Parish Assessor's investments are categorized to give an indication of the level of risk assumed by the St. Charles Parish Assessor at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the St. Charles Parish Assessor or his agent in the St. Charles Parish Assessor's name. Category 2 includes uninsured and unregistered investments with securities held by the counterparty's trust department or agent in the St. Charles Parish Assessor's name. Category 3 includes uninsured and unregistered investments with securities held by the counterparty, or by its trust department or agent, but not in the St. Charles Parish Assessor's name.

In accordance with GASB Codification Section 150.165, the investment in LAMP is not categorized in the three risk categories provided by the GASB Codification Section 150.164 because the investment is in a pool of funds and, thereby, not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, and is governed by a board of directors comprised of representatives from various local governments and statewide professional organizations. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2-a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments.

The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair market value of investments is determined on a weekly basis to monitor any variances between amortized cost and market value. For the purpose of determining participants' shares, investments are valued at amortized cost. GASB Statement No. 31 requires that investments, that fall within the definitions of said statement, be recorded at fair value. However, Statement No. 31 also states that investments in an external investment pool can be reported at amortized cost if the external investment pool operates in a manner consistent with the Security and Exchange Commission's (SEC's) Rule 2a7. LAMP is an external investment pool that operates in a manner consistent with SEC Rule 2a7.

As of December 31, 2013, the St. Charles Parish Assessor had the following investment:

Investment Type	Cost	Fair Value
Louisiana Asset Management Pool (LAMP)	\$ 2,452,424	\$ 2,452,424
Total	\$ 2,452,424	\$ 2,452,424

ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Notes to Basic Financial Statements – Continued

4) Receivables

Ad valorem taxes receivable of \$1,681,484 is recorded net of an allowance for estimated uncollectibles of \$15,811. Allowance for estimated uncollectibles is determined by calculating the prior year assessment less the actual amount received from prior year tax roll, adding any prior year taxes collected which were previously written off.

Other receivables consist of state revenue sharing receivable of \$21,925.

5) Levied Taxes

The following is a summary of authorized and levied property taxes:

	<u>Authorized Milage</u>	<u>Levied Milage</u>
2012 Tax Roll	1.41	1.41
2013 Tax Roll	1.41	1.41

The following are the principal taxpayers for the parish and their assessed valuation:

	<u>Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>
Entergy Louisiana, Inc.	\$ 179,857,710	13.81%
Union Carbide Corporation	137,781,828	10.58%
Motiva Enterprises, LLC	98,016,664	7.53%
Valero Marketing & Supply	63,949,945	4.91%
Shell Oil Company	59,154,040	4.54%
Monsanto Company	49,489,535	3.80%
Valero Refining-New Orleans, LLC	45,482,550	3.49%
Motiva Enterprises, LLC	29,456,925	2.26%
Occidental Chemical Corporation	22,855,470	1.76%
Occidental Chemical Corp	18,200,951	1.40%
	<u>\$ 704,245,618</u>	<u>54.08%</u>

# ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

## Notes to Basic Financial Statements – Continued

### 6) Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2013, is as follows:

	12/31/2012	Additions	Deletions	12/31/2013
Computer equipment	\$ 67,599	\$ 97,288	\$ 2,400	\$ 162,487
Furniture	81,712	59,237	-0-	140,949
Office equipment	57,092	58,694	-0-	115,786
Telephone equipment	11,911	-0-	11,911	-0-
Vehicles	38,771	-0-	-0-	38,771
Total	<u>257,085</u>	<u>215,219</u>	<u>14,311</u>	<u>457,993</u>
Less accumulated depreciation:				
Computer equipment	(63,590)	(5,030)	2,400	(66,220)
Furniture	(81,712)	(1,258)	-0-	(82,970)
Office equipment	(50,710)	(8,042)	-0-	(58,752)
Telephone equipment	(11,911)	-0-	11,911	-0-
Vehicles	(35,780)	-0-	-0-	(35,780)
Total	<u>(243,703)</u>	<u>(14,330)</u>	<u>14,311</u>	<u>(243,722)</u>
Capital assets, net	<u>\$ 13,382</u>	<u>\$ 200,889</u>	<u>\$ -0-</u>	<u>\$ 214,271</u>

Depreciation expense for the year is \$14,330.

### 7) Accounts Payable

Accounts payable represent expenses incurred during the current period but not paid until the subsequent period.

### 8) Expenditures of the Assessor Paid by the Parish Government

Certain operating expenditures of the St. Charles Parish Assessor's office are paid by the parish council as required by Louisiana Revised Statute 33:4713. The St. Charles Parish Assessor's office is located in the St. Charles Parish Courthouse. The St. Charles Parish Council pays the upkeep, maintenance, and insurance for the courthouse. These expenditures are not reflected in the accompanying financial statements.



ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Notes to Basic Financial Statements – Continued

9) Deferred Compensation Plan

Certain employees of the St. Charles Parish Assessor's office participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue code (IRC) Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

10) Pension Plan

**Plan Description.** The St. Charles Parish Assessor contributes to the Louisiana Assessors' Retirement Fund, a cost-sharing multiple employer defined benefit pension plan administered by a separate board of trustees. Provisions of the plan are set forth in the Louisiana Revised Statutes 11:1401 through 11:1483 to provide retirement, disability, and survivor benefits for the assessors and their permanent, full-time employees. The Board of Trustees of the Louisiana Assessors' Retirement Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Board of Trustees, Louisiana Assessors' Retirement Fund, P.O. Box 14699, Baton Rouge, Louisiana, 70898.

**Funding Policy.** Plan members are required by state statute to contribute 8.0% of their annual covered salary and the St. Charles Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 13.5% of annual covered payroll. Contributions to the System also include one-fourth of 1% of the taxes shown, which are to be collected by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the St. Charles Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the evaluation for the prior fiscal year.

Effective January 1, 2000, the St Charles Parish Assessor elected to also pay the employee portion of the retirement contribution. The St. Charles Parish Assessor's contributions to the System for the year ended December 31, 2013 were \$166,469 consisting of the employee portion of \$61,942 and the employer's portion of \$104,527. The St. Charles Parish Assessor's total contributions to the System for the years ending December 31, 2013, 2012, 2011, and 2010 were \$166,469, \$123,867, \$150,252 and \$164,624, respectively, equal to the required contributions for each year.



## ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

### Notes to Basic Financial Statements – Continued

#### 11) Postemployment Benefits Other Than Pensions

The St. Charles Parish Assessor provides certain continuing health care and life insurance benefits for its retired employees and their spouses. Substantially all of the St. Charles Parish Assessor's employees become eligible for these benefits if they reach normal retirement age while working for the St. Charles Parish Assessor. These benefits for retirees and similar benefits for active employees are provided through the Louisiana Assessor's Association Insurance Fund, whose monthly premiums are paid by the St. Charles Parish Assessor. There are 9 retirees (including spouses) and 14 active employees participating in the insurance program during this year.

**Plan Description.** The St. Charles Parish Assessor contributes to a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare and life insurance for eligible retirees through the St. Charles Parish Assessor's group health insurance plan. Benefit provisions are established by the St. Charles Parish Assessor. The Retiree Health Plan does not issue a publicly available financial report.

All employees are eligible to elect medical coverage upon retiring at:

- Age 55 with at least 12 years of service, or;
- Any age with at least 30 years of service.

Coverage is provided to spouses of retirees who are currently receiving benefits. If the retiree predeceases the spouse, coverage for the surviving spouse continues.

The St. Charles Parish Assessor's basic financial statements have been prepared in conformity with Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions* (GASB 45). The statement was implemented prospectively. Using this method, the beginning other post employment benefit (OPEB) liability is set at zero and the actuarially determined OPEB liability relative to past service (prior to January 1, 2009) will be amortized and recognized as an expense over thirty years.

**Funding Policy.** The St. Charles Parish Assessor contributes 100% of the cost of current year premiums for eligible retired employees and their spouses. The St. Charles Parish Assessor recognizes the cost of providing these benefits (the St. Charles Parish Assessor's portion of premiums) as an expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you-go basis. For the year ended December 31, 2013, the St. Charles Parish Assessor contributed \$132,230 to the plan.

## ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

## Notes to Basic Financial Statements – Continued

11) Postemployment Benefits Other Than Pensions – continued

**Annual OPEB Cost and Net OPEB Obligation.** The St. Charles Parish Assessor's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer. The St. Charles Parish Assessor has elected to calculate the ARC and related information using the Unit Credit Actuarial Cost Method. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the St Charles Parish Assessor's annual OPEB costs for the year, the amount actually contributed to the plan, and changes in the St. Charles Parish Assessor's net OPEB obligation to the retiree health plan.

	<u>12/31/2011</u>	<u>12/31/2012</u>	<u>12/31/2013</u>
Annual Required Contribution	\$ 384,869	\$ 368,257	\$ 368,257
Interest on prior year			
Net OPEB Obligation	24,605	41,005	50,131
Adjustment to ARC	<u>(35,573)</u>	<u>(62,776)</u>	<u>(76,748)</u>
Annual OPEB Cost	373,901	346,486	341,640
Actual Contributions made	<u>(45,950)</u>	<u>(118,330)</u>	<u>(132,230)</u>
Increase in Net OPEB Obligation	327,951	228,156	209,410
Net OPEB Obligation – beginning of year	<u>697,163</u>	<u>1,025,114</u>	<u>1,253,270</u>
Net OPEB Obligation – end of year	<u>\$1,025,114</u>	<u>\$ 1,253,270</u>	<u>\$1,462,680</u>

The St. Charles Parish Assessor's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year 2013 is as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
12/31/2013	\$ 341,640	38.70%	\$ 1,462,680

**Fund Status and Funding Progress.** As of December 31, 2013, the actuarial accrued liability for benefits was \$4,272,986, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$759,387 and the ratio of the unfunded actuarial accrued liability to the covered payroll was 563%.

ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Notes to Basic Financial Statements – Continued

11) Postemployment Benefits Other Than Pensions – continued

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, will present multi-trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**Methods and Assumptions.** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2013 actuarial valuation, the unit credit actuarial cost method was used. The significant actuarial assumptions used in the valuation of the plan are as follows:

1. Investment return of 4% per annum, compounded annually.

2. Retirement Rates

Age	Male	Female
46-49	22%	22%
50-54	44%	44%
55-57	4%	4%
58-62	18%	18%
63+	28%	28%



ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Notes to Basic Financial Statements – Continued

11) Postemployment Benefits Other Than Pensions – continued

3. 100% of employees who elect coverage while in active employment and who are eligible for retiree benefits are assumed to elect continued medical coverage in retirement. For those who elect coverage, it is assumed that they will continue to be covered by the same plan as retirees that they were while active.

4. 100% of members electing coverage are assumed to also elect coverage for a spouse.

12) Leases

The St. Charles Parish Assessor did not have any capital or operating lease commitments as of and for the year ended December 31, 2013.

13) Risk Management

The St. Charles Parish Assessor is exposed to various risks of loss related to torts; theft to, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters. The St. Charles Parish Assessor has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. There have been no significant reductions in coverage from the prior year. No settlements were made during the current or prior three fiscal years that exceeded the insurance coverage for the past three years.

14) Litigation and Claims

At December 31, 2013, the St. Charles Parish Assessor's office was not involved in any claims or litigation which would be required to be disclosed in these financial statements.

## SUPPLEMENTAL INFORMATION

# ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

## Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenue:				
Ad valorem tax	\$ 1,660,825	\$ 1,673,257	\$ 1,690,909	\$ (17,652)
State revenue sharing	32,536	32,642	32,887	(245)
Computer service fees	5,000	5,000	5,000	-0-
Interest on investments	50,000	17,233	17,354	(121)
Dividends on investments	-0-	2,741	2,741	-0-
Listings	700	-0-	-0-	-0-
Sale & preparation of tax roll	<u>11,800</u>	<u>6,000</u>	<u>6,000</u>	<u>-0-</u>
Total general revenue	<u>1,760,861</u>	<u>1,736,873</u>	<u>1,754,891</u>	<u>(18,018)</u>
Expenditures				
General government – taxation:				
Salaries	752,485	738,019	761,725	(23,706)
Office expenditures	35,000	42,894	58,029	(15,135)
Disability insurance	1,985	1,102	1,102	-0-
Dues & subscriptions	7,500	8,211	8,377	(166)
Equipment maintenance	12,000	23,636	24,439	(803)
Insurance	8,000	3,959	4,059	(100)
Telephone	16,075	9,852	9,230	622
Travel and conventions	20,000	64,000	63,098	902
Payroll taxes	11,257	12,366	12,876	(510)
Automobile expenditures	5,200	5,022	5,690	(668)
Employer's contribution to group insurance	250,348	244,822	244,695	127
Employer's contribution to retirement	161,268	171,502	166,469	5,033
Deferred compensation	43,800	45,751	47,053	(1,302)
Contracted services	15,000	66,128	71,513	(5,385)
Loss on investments	15,000	25,447	25,452	(5)
Capital outlay	<u>49,000</u>	<u>218,956</u>	<u>217,868</u>	<u>1,088</u>
Total expenditures	<u>1,403,918</u>	<u>1,681,667</u>	<u>1,721,675</u>	<u>(40,008)</u>
Net change in fund balance	356,943	55,206	33,216	(21,990)
Fund balances:				
Beginning of the year	<u>4,228,280</u>	<u>4,228,280</u>	<u>4,228,280</u>	<u>-0-</u>
End of the year	<u>\$ 4,585,223</u>	<u>\$ 4,283,486</u>	<u>\$ 4,261,496</u>	<u>\$ (21,990)</u>

ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

Schedule of Funding Progress  
for the St. Charles Parish Assessor's OPEB Plan  
December 31, 2013

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
January 1, 2011	\$ -0-	\$ 3,945,712	\$ 3,945,712	0%	\$ 659,357	598%
January 1, 2012	\$ -0-	\$ 4,272,986	\$ 4,272,986	0%	\$ 568,411	752%
January 1, 2013	\$ -0-	\$ 4,272,986	\$ 4,272,986	0%	\$ 759,387	563%

# UZEE, BUTLER, ARCENEUX & BOWES

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## INDEPENDENT AUDITOR S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Mr Tab T Troxler  
St Charles Parish Assessor  
Hahnville Louisiana

We have audited the basic financial statements of the governmental activities of the St Charles Parish Assessor as of and for the year ended December 31 2013 and have issued our report thereon dated June 18 2014 We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States

### Internal Control Over Financial Reporting

In planning and performing our audit we considered the St Charles Parish Assessor s internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the St Charles Parish Assessor s internal control Accordingly we do not express an opinion on the effectiveness of the St Charles Parish Assessor s internal control

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions to prevent or detect and correct misstatements on a timely basis *A material weakness* is a deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity s financial statements will not be prevented or detected and corrected on a timely basis A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies We did identify a deficiency in internal control that we consider to be a material weakness This deficiency is described in the accompanying schedule of current and prior year audit findings and corrective action plan However additional material weaknesses may exist that have not been indentified



### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the St. Charles Parish Assessor's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, instances of noncompliance may exist that have not been identified.

### Response to Findings

The St. Charles Parish Assessor's response to the findings identified in our audit is described in the accompanying schedule of current and prior year audit findings and corrective action plan. The St. Charles Parish Assessor's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### Purpose of this Report

The purpose of this report is intended solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with the enclosed Independent Auditor's Report in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

  
Harvey, Louisiana  
June 18, 2014

# ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

## Schedule of Current and Prior Year Audit Findings and Corrective Action Plan Year Ended December 31, 2013

<u>Ref No.</u>	<u>Fiscal Year Findings Initially Occurred</u>	<u>Description of Findings</u>	<u>Corrective Action Taken</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
CURRENT YEAR (12/31/13)						
<u>Internal Control:</u>						
13-01	Unknown	The St. Charles Parish Assessor does not have adequate segregation of duties within the Accounting Department.	N/A	None. Because of the cost of benefit and limited number of personnel in the Accounting Department, it is not possible to achieve adequate segregation of duties.	Tab Troxler St. Charles Parish Assessor	N/A
PRIOR YEAR (12/31/12)						
<u>Internal Control:</u>						
12-01	Unknown	The St. Charles Parish Assessor does not have adequate segregation of duties within the Accounting Department.	N/A	None. Same as above.	Tab Troxler St. Charles Parish Assessor	N/A